

# Aspo sustainability report 2022

Socially, financially and environmentally sustainable business is a requirement for creating long-term value. A responsibly led growing company can create jobs, tax revenues and wellbeing.



## Year 2022: Development on many fronts

Aspo's key focus areas include reducing emission intensity and improving occupational safety. These targets showed good development in 2022 when both emission intensity and accident frequency decreased from the previous year.

In 2022, we continued to develop Aspo's sustainability program on several fronts. For example, we prepared a new sustainability policy and integrated the Group's sustainability targets into Aspo's remuneration scheme. We also invested in a new Group-wide sustainability reporting platform.

### Zero tolerance for corruption

Aspo's Code of Conduct prohibits corruption and bribery in all their forms. Aspo's Code of Conduct and Compliance trainings include anti-corruption issues and provide guidance for identifying any suspicious situations and practices considered unethical.

#### SHARE OF ASPO'S EMPLOYEES WHO COMPLETED THE TRAININGS IN 2022

Code of Conduct



Compliance

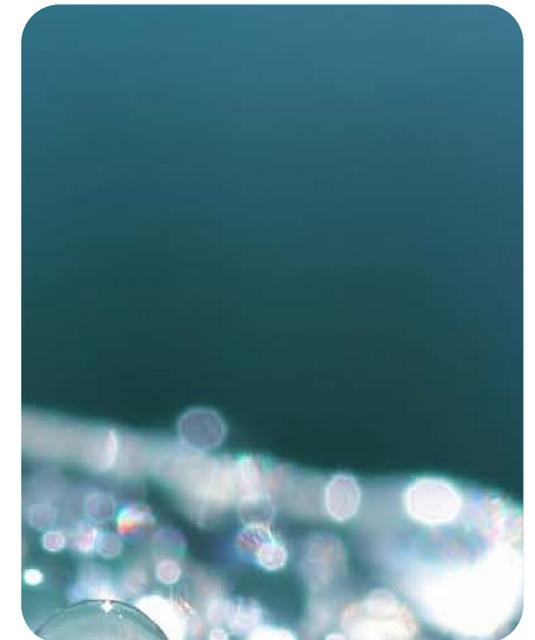
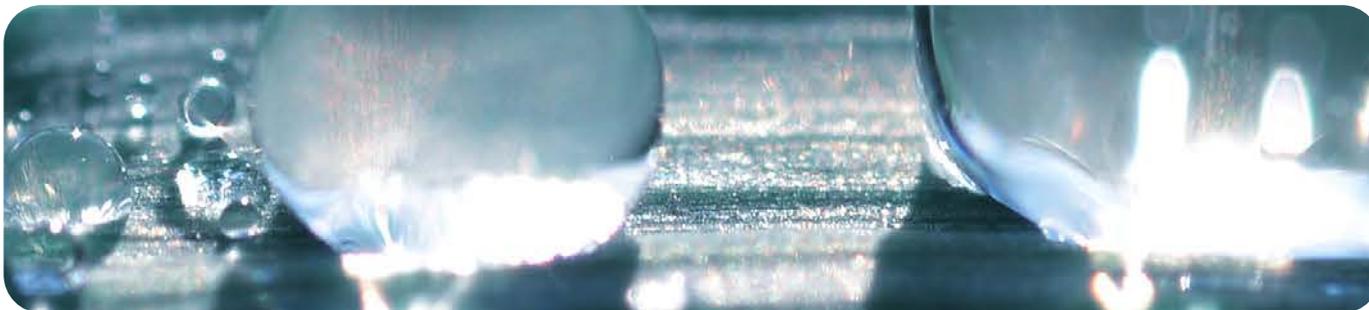


#### CARBON INTENSITY CO<sub>2</sub> (tn) / net sales (t€)

**0.33**  
2021: 0.42

#### INJURY FREQUENCY RATE TRIF

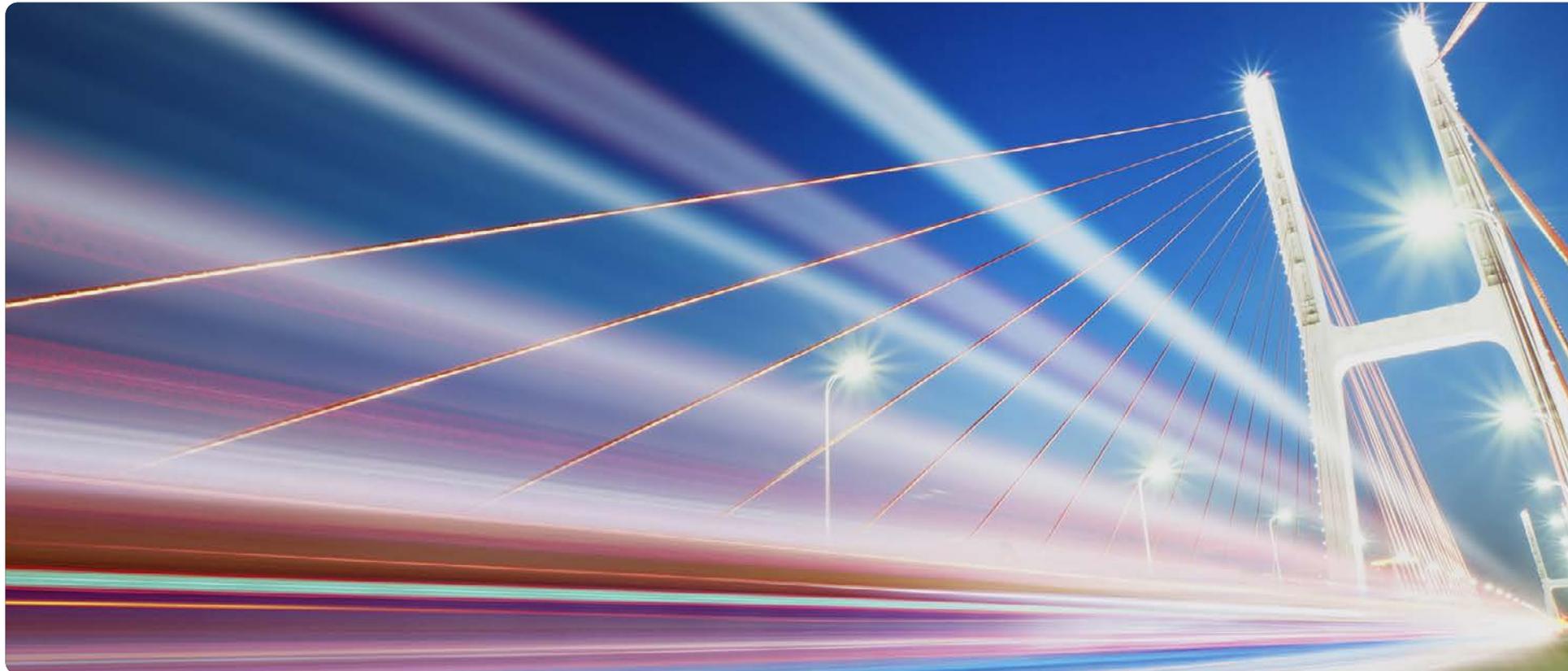
**8.1**  
2021: 8.8



## ■ SUSTAINABILITY

# A year of changes and development

Changes in the operating environment or our renewed strategy did not have an impact on our long-term targets for sustainability: Aspo's businesses still aim to be forerunners in sustainability in their respective sectors.



The year 2022 turned out to be highly different from what we still assumed at the beginning of the year. Russia's invasion of Ukraine dramatically changed the lives of many of our employees, and our entire operating environment turned upside down.

As a result of Russia's invasion, we decided to withdraw from Russia and selected eastern markets and focus on seeking growth and profitability especially in western markets in accordance with our renewed strategy.

However, the changes in the operating environment or our new strategy did not have an impact on our long-term targets for sustainability: Aspo's businesses still aim to be forerunners in sustainability in their respective sectors. Sustainability also guides Aspo's management system and the process of investigating new investment opportunities. In 2023, we will continue to develop and deploy environmental, social and corporate governance (ESG) evaluation criteria for potential acquisitions.

Aspo's different businesses naturally have highly different focus areas in their sustainability work. ESL Shipping has actively reduced its environmental footprint by

bringing down its fleet’s emissions and energy consumption. Product safety is essential for Telko, which acts as a link between industrial customers and international raw material manufacturers. The operations of Leipurin focus not only on product safety, but also on the reduction of waste and wastage.

The businesses also have several common targets. Key focus areas for the Group include reducing emission intensity and improving occupational safety. These targets showed good development in 2022 when both emission intensity and the accident frequency decreased from the previous year. In terms of environmental responsibility, we are rapidly approaching the target set for 2025 to reduce emission intensity by 30% from the level of 2020. The energy-efficient electric hybrid vessels ordered by ESL Shipping, the first of which will be deployed in fall 2023, will play a significant role in reducing emission intensity in the future.

Even though accident frequency decreased in 2022, we did not quite reach the target set for the year. We still have a lot of work ahead of us in developing our occupational safety culture, but we took several steps forward in 2022 in increasing safety awareness and ensuring the reliability of data.

It was delightful that during the year approximately 100% of the Group’s all employees completed Code of Conduct and Compliance trainings which include anti-corruption issues and provide guidance for identifying any suspicious situations and practices considered unethical.

In 2022, we continued to develop Aspo’s sustainability program on several fronts. For example, we prepared a new sustainability policy and integrated the Group’s sustainability targets into Aspo’s remuneration scheme.

We also invested in a new Group-wide sustainability reporting platform, which we believe will develop the reporting capabilities of our businesses and intensify the monitoring of goals. In addition, we continued to investigate the impact of the EU taxonomy for sustainable economic activities on the Group’s businesses and reporting practices. More information about the alignment of the Group’s businesses with the taxonomy is available in Aspo’s Management report. We have also started our preparations for the EU’s Corporate Sustainability Reporting Directive.

Since 2018, Aspo has been a member of the UN’s Global Compact initiative, and the Group’s operations are steered by the ten Global Compact principles related to human rights, working life principles, the environment and the prevention of corruption. Every year, Aspo reports its progress in the implementation of the Global Compact principles as part of this Sustainability Report and also on the external online platform managed by the UN Global Compact, in accordance with the new standardized reporting system entered into force on January 1, 2023.

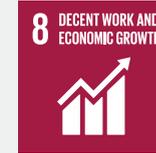
In addition to this Sustainability Report, ESL Shipping, Telko and Leipurin will also publish their own sustainability reports, reviewing the long-term goals of each business in more detail and discussing their progress in sustainability in 2022.

Helsinki, Wednesday, February 15, 2023

Aspo Plc

**Board of Directors**

**CEO**



The UN’s Sustainable Development Goals that have been defined to be the most significant for Aspo and as goals on which Aspo can have the most impact.

**Aspo and its businesses share the following sustainability commitments:**

- Growing our business while lowering pressure to the environment
- Improving the Aspo experience for people in our value chain
- Driving sound governance practices at all levels



■ SUSTAINABILITY

# Aspo Group key sustainability themes

OUR AMBITION

Aspo portfolio companies aim to be sustainability forerunners in their industries

OUR COMMITMENTS/  
KEY FOCUS AREAS

**E**

Growing our business while lowering pressure to the environment

**S**

Improving the Aspo experience for people in our value chain

**G**

Driving sound governance practices at all levels

MATERIAL THEMES  
FOR ALL BUSINESSES



To reduce emission intensity



Ensuring employee safety



Sound governance practices



Driving sustainable innovations



Improving the employee, customer and principal experience



Thorough risk management



Improving recycling and waste management



Enhancing product and service quality

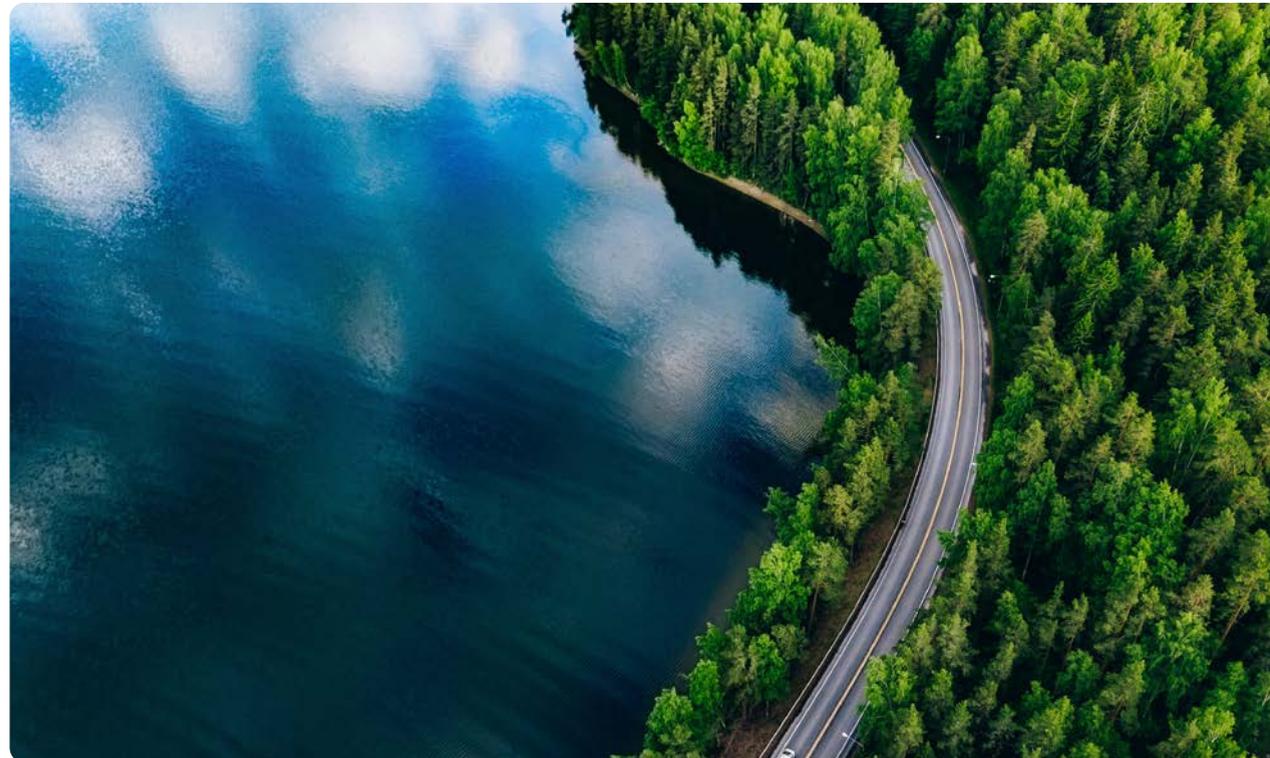


Continuous development of the Sustainability program

ENVIRONMENTAL RESPONSIBILITY

# Investments for the good of the environment

Growing our business while lowering pressure to the environment requires concrete actions and investments.



E

**LOWERING CARBON INTENSITY**

CO<sub>2</sub> (tn) / Net sales (t€)

Target 2022	Total 2022	2021	Notable	SDG
0.39	<b>0.33</b>	0.42	In 2022, carbon intensity improved further due to increase in net sales, operational efficiency and new operating models.	

**DRIVING SUSTAINABLE INNOVATIONS**

Business-specific development of sustainable innovations.



**IMPROVING RECYCLING AND WASTE MANAGEMENT**

Business-specific targets have been set for recycling and waste management.



The key target related to the Group’s environmental responsibility is to reduce emission intensity, CO<sub>2</sub> (tn) per net sales (EUR thousand), by 30% by 2025. In 2022, emission intensity improved, being 0.33 (0.42 in 2021). This positive trend resulted particularly from the growing businesses and ESL Shipping’s new operating models, operational efficiency and transport structure.

A more effective use of energy and raw materials plays a key role in reducing Aspo’s environmental impact. As ESL Shipping’s vessels generate the majority of the Group’s carbon dioxide emissions, the most significant environmental aspects for the shipping company are related to the improved energy efficiency and the reduced carbon footprint of its fleet.

**LEADING THE WAY IN SUSTAINABLE SHIPPING OPERATIONS**

ESL Shipping’s goal is to halve its carbon dioxide emissions per transportation unit by the end of the decade. Achieving this target calls for significant investments in

new vessels, fuel solutions and other operating models to improve energy efficiency. Progress can already be seen in various areas. During 2022, ESL Shipping transported 14.7 million tons of cargo and consumed 819 988 (898 158) MWh of energy. CO<sub>2</sub> emissions per transported ton of cargo decreased by 7.5% in 2022.

In 2021, ESL Shipping announced its plan to build a series of six highly energy-efficient electric hybrid vessels to strengthen its leading position in the sector, and in 2022, the order for the world’s most efficient vessels in their size category was doubled after a new shipping pool was established. The greenhouse gas emissions of the new vessels per transported unit of cargo will be nearly 50% lower compared with the current vessels. The construction of the first Green Coaster vessels is currently underway, and the first vessel will be delivered to ESL Shipping during the third quarter of 2023. The shipping company’s building supervisors are monitoring the construction of the vessels at the shipyard.

Progress was also seen in the deployment of new fuel solutions. In summer 2022, ESL Shipping became the first shipping company in the world to start using the new low-emission Neste Marine™ 0.1 Co-processed ship fuel in its vessels in Finland and Sweden. The ISCC Plus-certified co-processed ship fuel reduces greenhouse gas emissions by as much as 80% during its lifecycle compared to fossil fuels, without compromising on product quality or performance.

Virtual Arrival launched by ESL Shipping in summer 2021 is still used successfully in transportation between Luleå and Oxelösund in cooperation with SSAB and the Port of Oxelösund. The idea of Virtual Arrival is to reduce a ship's speed if it is known that its berth at the port will not be available upon arrival. Regardless of the actual arrival time, a ship's position in the port's line-up is determined based on the arrival time calculated using the normal service speed. Energy savings have been significant: the carbon dioxide emissions of sea transportation have decreased by up to 24% as a result of the optimized service speed. The energy savings equal the annual consumption of roughly 200 Finnish households.

In addition to environmental benefits, Virtual Arrival provides ports with better opportunities to set more reliable schedules and use resources more effectively. When schedules are better known, workday planning on board ships will be more proactive. Virtual Arrival has been selected by one of the traffic control and management company Finntraffic's leading projects for 2023, and it also participated in the UN Climate Change Conference in Egypt as a Green Shipping Challenge project.

We will continue our development by modernizing our fleet and deploying new non-fossil fuels. Playing a sig-

nificant role in the zero-emission transportation of our industrial partners' zero-emission products is the cornerstone of our shipping company's strategy.

### TOTAL IMPACT OF THE SUPPLY CHAIN ON THE ENVIRONMENT IS KEY

The largest environmental impact of Leipurin and Telko, which operate in the fields of trade and logistics, come from elsewhere in the supply chain. As defined by Aspo's Board of Directors, the goal of these companies is to be the best and the most responsible partners for their customers and principals in their respective fields and to reduce emissions in the entire supply chain through their expertise. This includes planning logistics flows effectively and ensuring the quality of products. In the next few years, we aim to understand the environmental impact of our entire supply chain even better, regardless of who carries out the operations in question.

Telko is playing its part in improving the circular economy involving plastics and is providing its customers with environmentally sustainable solutions. For example, Telko was the first Finnish distributor to receive the ISCC Plus certificate. ISCC Plus is a certificate granted for bio-based plastics. Accordingly, Telko can provide plastic raw materials produced in line with mass balance principles for its customers.

### RISKS ARE MANAGED IN VARIOUS WAYS

Aspo has classified environmental damage resulting from its operations and especially from fuel processing in the shipping company's operations and the practices of its partners, for example, in the transport and stor-



In the next few years, we aim to understand the environmental impact of our entire supply chain even better.

age of chemicals as significant risks associated with the environment. Changing regulations, such as stricter environmental laws, any changes in energy policies and the development of fuel taxation, can also have a significant impact on operating conditions and costs.

Aspo actively monitors the regulatory situation and aims to develop its operations cost-effectively and at the correct time so that it can keep any investment needs resulting from changing regulations under control. The investigation of the EU's classification system for environmentally sustainable economic activities (EU taxonomy) on the Group's businesses and reporting practices started in 2021 and continued in 2022. In order to address environmental aspects in supply chains, Aspo has prepared the Supplier Code of Conduct.

Aspo prepares for and controls risks through productive environmental management. For example, ESL Shipping has its own environmental management system, certified by ISO 140001. In 2022, ESL Shipping regis-

tered three (2021: 3) minor oil spills. As a result of these incidents, slightly less than 20 liters of oil were released into the environment. These were handled properly and resulted in no consequences from the authorities.

Telko's environmental protection practices are under constant development in accordance with the principles of the ISO 9001 standard. In 2022, Telko received the ISO 14001 environmental certificate, covering all of its units in the EU. In addition, Telko is a member of the Responsible Care program for chemical distributors, which guides operational development to be more extensive than the minimum requirements set out in acts and regulations.

In 2022, the ISO 14001 environmental certificate was also granted for Leipurin's operations in Sweden (Kobia AB) which helps control environmental risks. Leipurin is investigating opportunities to deploy the certificate more broadly.

# Fuel innovations reduce shipping emissions

ESL Shipping is actively developing more efficient and ecological transportation solutions for the future. Selecting the correct fuel for vessels is an important part of this development during this era of stricter environmental regulations.

Various factors need to be addressed in the design of the best possible vessels for the environment. A key area is finding the optimal dimensions and hydrodynamic solutions to minimize water resistance. The currently available fuel options and future fuel innovations are other significant factors.

ESL Shipping operates two 25,500 dwt dry bulk cargo vessels fueled by liquefied natural gas (LNG) – Viikki and Haaga. The use of LNG as the primary fuel in main and auxiliary engines reduces carbon dioxide emissions by more than 50% compared to the previous generation's vessels. Another advantage of LNG-fueled engines is that liquefied biogas (LBG) can also be used as fuel to reduce vessel emissions even further. In addition, the high-pres-

sure engines selected for Viikki and Haaga reduce their methane emissions down to a minimum.

In summer 2022, ESL Shipping became the first shipping company in the world to use the new low-emission Neste Marine™ 0.1 Co-processed ship fuel in its vessels. The ISCC Plus-certified co-processed ship fuel reduces greenhouse gas emissions by as much as 80% during its lifecycle compared to fossil fuels, without making any compromises over product quality and performance.

The highly environmentally friendly electric hybrid vessels ordered in 2021 and 2022 will improve the shipping company's energy efficiency even further. The vessels' batteries, shore-side electricity solutions and electric hybrid operation enable fully emission-free and practically noiseless visits to ports. The construction of the Green Coaster vessels is currently underway, and the first of the 12 ordered vessels will be delivered to ESL Shipping during the third quarter of 2023.



*"We have waited for this co-processed ship fuel for a long time. ESL Shipping is committed to leading the way in reducing greenhouse gas emissions in the shipping industry, and we are fortunate to be able to use this low-emission option without needing to modify our vessels. We believe that this is the right way to go, and I am convinced that, here in the Nordic countries, we can act as an example for the global shipping industry".*

**Mikki Koskinen**

Managing Director of ESL Shipping

■ SOCIAL RESPONSIBILITY

# A year shadowed by the war

Aspo's operating environment changed dramatically when Russia invaded Ukraine, and the war still touches the daily lives of many of our employees.

The year 2022 was hard for our personnel in several ways, and the war in Ukraine still touches the daily lives of many of our employees. When the war broke out, our top priority was ensuring the safety of our personnel and helping them in Ukraine and its neighboring areas.

Aspo is committed to respecting internationally accepted human rights as defined in the Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights. We reject any discrimination based on education, competence, position, personality, way of life, work experience, ethnic origin, religion, gender, sexual orientation, age, nationality, abilities or other qualities.

Aspo treats its employees in a just and equal manner in all countries where it operates. The applicable local legislation and regulations are complied with in all contracts of employment. These concern, among other things, working hours, remuneration, development opportunities, human rights and working conditions.

We aim to improve the personnel's engagement and wellbeing at work by promoting employees' professional development at all organizational levels and by building an encouraging atmosphere.

## INVESTING EVEN MORE IN OCCUPATIONAL SAFETY

The most significant social risks are associated with occupational safety and health, and the availability and commitment of the personnel. At Aspo, work environments range from cargo vessels to chemical warehouses, and specific focus is placed on safety guidelines and training in different businesses. The goal is that there are zero occupational accidents.

In 2022, the total recordable injury frequency (TRIF) was 8.1. While it showed positive development from the previous year (8.8), we were unable to achieve our goal of 7.0 set for 2022. Aspo has several ongoing projects to improve occupational safety and health, focusing

S

### ENSURING EMPLOYEE SAFETY

#### Total Recordable Injury Frequency (TRIF)

Target 2022	Total 2022	2021	Note	SDG
7.0	8.1	8.8	Accident rates remain low. Each individual accident significantly affects the TRIF figure.	

### IMPROVING THE EMPLOYEE, CUSTOMER AND PRINCIPAL EXPERIENCE

#### Employee satisfaction is measured by the People Power index

Target 2022	Total 2022	2021	Note	SDG
AA+	AA	AA+	In 2022, the operating environment remained fairly challenging in all businesses, and job satisfaction decreased slightly, while still being high.	

### PRODUCT AND SERVICE QUALITY

Business-specific targets have been set to ensure the quality of products and services. The net promoter score is used in each business.



especially on ESL Shipping's operations, in which occupational accident risks are higher than in our other subsidiaries. Telko also adopted a new Safety Walk policy at its offices and warehouses to increase safety and awareness of it.

### JOB SATISFACTION AT A HIGH LEVEL

Aspo regularly assesses the satisfaction of employees with their own tasks, the quality of management, and Aspo as an employer by conducting an annual atmosphere survey. In 2021, Aspo started to use the People Power index, a new method of measuring job satisfaction, and it was also included in the Group's sustainability goals. The operating environment remained fairly challenging in all businesses, and job satisfaction decreased slightly, while still being high: the Group achieved the rating of AA in 2022, and there were no significant differences between the businesses. However, the targeted level of AA+ was not achieved unlike in 2021.

In addition to employees, Aspo Group also monitors the satisfaction of other stakeholders actively, and it has set business-specific goals to ensure the quality of products and services. The businesses regularly monitor the satisfaction of stakeholders and the likelihood that they would recommend each business to others using the net promoter score (NPS), a broadly used international market research metric. The NPS surveys conducted in 2022 showed that customer satisfaction is at least at a high level in all businesses.

## Our employees giving support during the crisis

Last spring, Russia's armed invasion of Ukraine dramatically changed the lives of people living in Ukraine. Millions were forced to leave their home, work and familiar living environment. Of Aspo Group's companies, Leipurin and Telko had some 60 employees in Kyiv and Lviv during Russia's invasion.

When the war broke out, some of the warehouses of Leipurin and Telko were destroyed in Ukraine, but there were no casualties. The destruction of the warehouses quickly put a stop to business operations in the region. Telko and Leipurin have continued to pay wages to their Ukrainian employees during the war.

"We collected information from our employees in Ukraine, started to consider the need for concrete assistance, and established an intragroup crisis team to exchange daily information and delegate practical matters," says Myllyluoma about the coordination of assistance.

While some employees of Leipurin and Telko were relocated to western parts of the country, others escaped to neighboring Poland and Romania. Telko has business operations and employees in these coun-

tries which made it easier to provide rental homes, furniture, clothing and acute food products.

"In our crisis team consisting of our local employees, someone was always ready to transport refugees from the border to our leased accommodation facilities in Poland and Romania. Our assistance covered not only families, but also the closest relatives. As men were not usually allowed to leave Ukraine, we took care of matters on behalf of their spouses and families," says Myllyluoma.

Throughout the challenging year, Telko has also aimed to support local industry in the availability of raw and other materials. Despite the difficult conditions in Ukraine, certain industrial segments have been able to continue their operations, and Telko has continued to serve its partners by developing new logistics solutions that take the obstacles presented by the war into account.

Aspo's businesses will continue to operate in Ukraine, and we want to support its development and do our part to help rebuild the country.



*"Russia's invasion in Ukraine deeply shocked our personnel in Finland, Europe and other parts of the world. We immediately started to discuss the situation during our personnel briefings, and it was clear from the start that we will do everything we can to help our Ukrainian colleagues"*

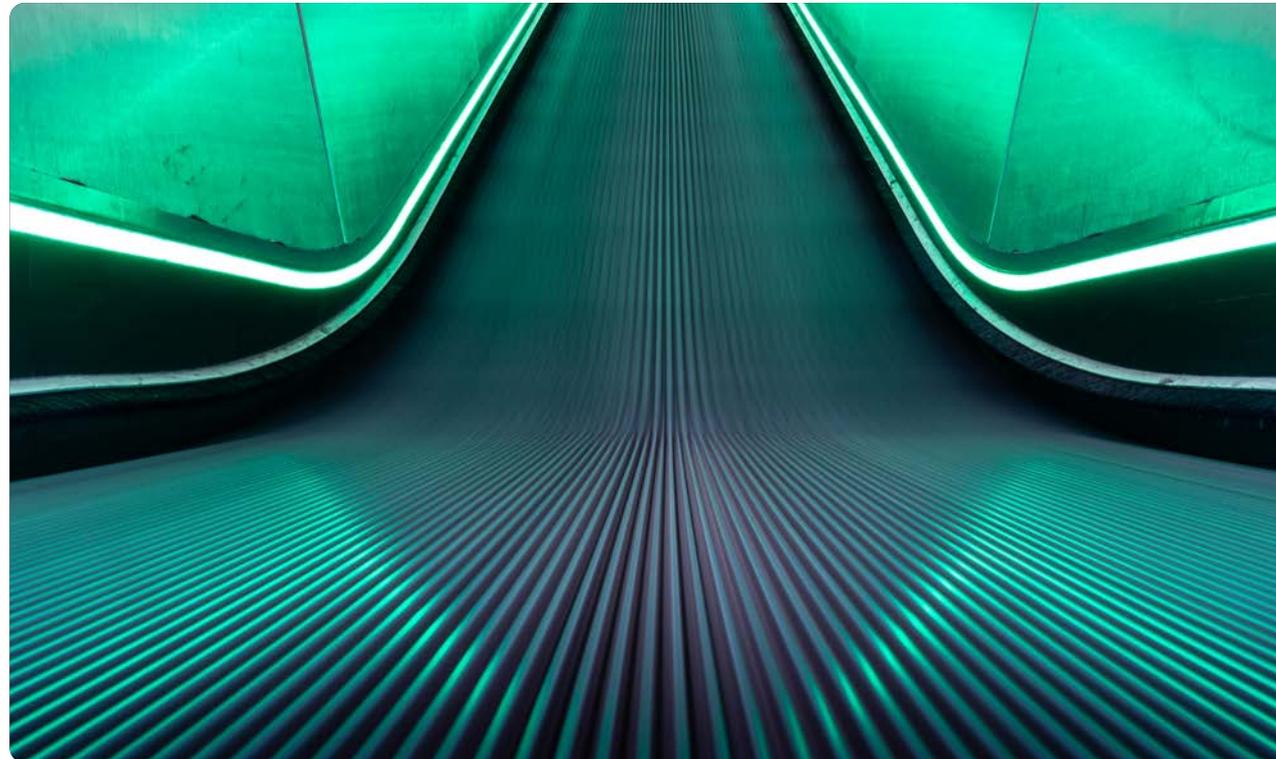
**Eveliina Myllyluoma**

HR Business Partner at Telko

CORPORATE GOVERNANCE

# Responsible decisions on the future of our businesses

To promote the development of sustainability throughout the Group, Aspo established a new sustainability task force at the beginning of the year, headed by Aspo's new Director of Sustainability.



**G SOUND GOVERNANCE PRACTICES**  
Percentage of Aspo's personnel who completed the Code of Conduct & Compliance trainings

Target 2022	Total 2022	2021	Note	SDG
100%	100%	88%	Code of Conduct & Compliance trainings were renewed during 2022.	

**THOROUGH RISK MANAGEMENT**  
Further development of systematic risk management process together with portfolio companies.

**CONTINUOUS DEVELOPMENT OF THE SUSTAINABILITY PROGRAM**  
For example the integration of ESG targets to personnel incentive system group-wide in 2022.

In 2022, Russia's invasion of Ukraine largely defined Aspo's operating environment and the dramatic changes in it. We already decided in spring to withdraw from Russia and selected eastern markets after the preconditions for responsible business ceased to exist. Binding preliminary agreements have been made on the divestment of Telko's companies in Russia and Belarus and Leipurin's companies in Russia, Belarus and Kazakhstan, but they are still waiting for the approval of the local authorities.

Aspo's Code of Conduct, and HR management and development principles guide the Group's operations as a responsible employer. Aspo respects the freedom of association of employees and complies with local laws in each operating country. In emerging markets, in particular, Aspo aims to lead the way and spread sustainable operating methods.

To promote the development of sustainability throughout the Group, Aspo established a sustainability task force at the beginning of the year, headed by Aspo's new Director of Sustainability. The team's goal is to coor-

ordinate sustainability activities in the Group, and develop and share best practices in all businesses.

### CORRUPTION REMAINS A CHALLENGE IN CERTAIN OPERATING COUNTRIES

As an international company, Aspo also operates in countries in which corruption is common. According to Transparency International, these include Russia, Uzbekistan and Ukraine. A key tool in the prevention of corruption and bribery is the responsible management of the supply chain. To ensure appropriate operating methods, Aspo's businesses monitor compliance with the Supplier Code of Conduct in various ways. For example, specific responsibility audits have been conducted at Telko since 2019. Warehouse audits conducted in partners' facilities are also part of Telko's toolkit to verify the compliance of its supply chain with regulations. In addition to on-site audits, a larger group of suppliers is monitored through self-assessment. In 2022, several of Telko's warehouses were audited without finding any significant deficiencies.

Aspo's Code of Conduct absolutely prohibits corruption and bribery in all their forms. Aspo's Compliance and Code of Conduct training includes anti-corruption issues and provides guidance for identifying any suspicious situations and practices considered unethical.

In 2022, 100% of the Group's employees completed Code of Conduct training and 100% completed Compliance training. Aspo's goal is that all of the Group's personnel complete the training every year.

**MONITORING COMPLIANCE WITH REQUIREMENTS IN VARIOUS WAYS**

Aspo's businesses are also monitoring sector-specific regulations and Telko, for example, uses more detailed guidelines for bribery, and it complies with the FECC's Code of Conduct. In addition, ESL Shipping, Telko and Leipurin conduct risk assessments for suppliers. Leipurin continued to develop its internal guidance and training for compliance in 2022 to sharpen its practices related to the prevention of corruption and bribery.

Product safety is key in the operations of both Telko and Leipurin. Non-conformities in quality and deliveries of incorrect products may have severe consequences. In 2022, no incorrect products were delivered to Telko's customers. Leipurin's raw material sales in Finland have the ISO 22000 food safety certificate, and the BRC Food Safety certificate has been granted for production and the BRC Storage and Distribution certificate for warehousing in Sweden.

Significant numbers of the partners of ESL Shipping, Telko and Leipurin are important international companies, with which each of these businesses have been engaged in long-term cooperation and which have their

own stabilized processes for the responsible management of supply chains. Aspo's Internal Audit and Legal Affairs departments also conduct regular audits within all businesses.

**MISUSE CAN BE REPORTED ANONYMOUSLY**

Since 2020, Aspo has been using a fully anonymous whistleblowing channel maintained by an external party. Through the service, employees can express their concerns over anything that is non-compliant with Aspo Group's values or Code of Conduct and may have serious consequences for our organization or individuals. Reports are forwarded to the whistleblowing channel team, led by the Group's Director of Legal Affairs.

Reports are processed in accordance with a fixed process and forwarded to Aspo's Board of Directors, which will also process them if necessary. Employees are notified of the whistleblowing channel, for example, in conjunction with annual Code of Conduct training.

A total of 14 reports were submitted through the whistleblowing channel in 2022. These reports were processed and responded to in accordance with the Group's processes. The reports were mainly related to minor violations of internal policies. No new cases of fraud were discovered in the investigations conducted, and no confirmed violations related to corruption or bribery were reported through the whistleblowing channel.

Aspo also has a broad impact on the communities in which it operates. For example, ESL Shipping is a significant organizer of maritime transport and plays a key role in Finland's emergency supply, because maritime transport accounts for 80% of Finland's imports and 90% of its exports. In the event of a crisis, vessels operating under the Finnish flag safeguard connections to other countries.

**SUSTAINABILITY TO FORM AN INTEGRAL PART OF OUR ACQUISITION PROCESS AND OWNERSHIP AGENDA**

	TARGET MAPPING	ACQUISITION PROCESS	OWNERSHIP
OUR APPROACH	<p>We evaluate potential targets based on financial performance and strategic fit</p> <p>Sustainability forms an integral part of the strategic fit –evaluation</p>	<p>We deepen our understanding of the financial performance and strategic direction</p> <p>Sustainability is evaluated both in terms of evaluating</p> <ul style="list-style-type: none"> <li>· Target performance across Aspo's key sustainability themes</li> <li>· Impact on Aspo's opportunity to reach set KPI targets</li> </ul> <p>The evaluation may result in us not investing in a company</p>	<p>We develop a sustainability strategy, incl. priority areas, together with the acquired company</p> <p>We set targets, define key actions, and monitor results – we provide active support from the group where needed</p> <p>We are committed to progress reporting to Aspo board and shareholders</p>

# Steps towards comprehensive sustainability reporting

Year by year, more local and international regulations have been directed at sustainability reporting by companies. The EU corporate sustainability reporting directive to enter into force in 2024 will be one of the most significant changes.

Its goal is to provide stakeholders of companies with reliable and verified information about the sustainability risks to which companies are exposed and how companies comply with the principles of sustainable development in their operations. European reporting standards will ensure the availability of the information required for sustainable funding and the reporting of comparable information. Statutory sustainability reporting will also apply to Aspo, and the Group has already started preparations for the new practices.

During 2021, Aspo already completed a large-scale process to set sustainability goals for each business. The next significant step was taken at the end of 2022 when Aspo deployed a new reporting platform for sustainability data for all its businesses. The new reporting platform improves the efficiency of the Group's sustainability reporting, and it will also make it easier for external partners to verify data in the coming years.

External parties have also identified the development steps Aspo's businesses have taken. In 2022, EcoVadis gave Telko the

gold-level sustainability rating. EcoVadis is one of the world's largest and most reliable providers of corporate sustainability assessments. Every year, it assesses companies' sustainability activities based on the environment, labor and human rights, ethics, and sustainable procurement. Telko's original goal set at the end of 2021 was to receive the gold rating in the 2023 assessment. This goal was now achieved one year ahead of schedule. ESL Shipping participated in the EcoVadis sustainability certification for the first time in 2022 and received the silver rating, which is only received by 10% of companies in the industry.

The significance of sustainability in assessing investment decisions has increased considerably during the last few years, and there are several providers of independent sustainability assessments. Assessments of the level of Aspo's sustainability activities by these bodies have also shown positive development. For example, in 2022, Aspo reached the low risk category status in the Sustainalytics assessment, rising to a better category from the previous year. In addition, Nasdaq again designated Aspo as a Nasdaq ESG Transparency Partner in 2022. The recognition is given to companies that communicate ESG themes related to sustainability transparently to their customers and investors.



*"The new reporting platform has successfully been launched in all our businesses, and it provides the management of Aspo and each business with even better tools to lead and monitor sustainability activities. The deployment is also part of our preparation for the obligations set out in the new corporate sustainability reporting directive"*

**Anni Lapatto**

Corporate Development Manager at Aspo Group

# Sustainability tables

The reporting period is the calendar year 2022. In principle, the reporting covers the entire Aspo Group. Any exceptions have been stated in conjunction with the indicators. The personnel figures given in the sustainability report include all permanent employees, including long-term absentees. The personnel figures also include the temporary maritime crew of AtoB@C Shipping, a subsidiary of ESL Shipping, but only with regard to vessels owned by the company. In the financial statements, the personnel figures only include Aspo Group's own employees, not temporary external workers. Additionally, the personnel figures only include active employees.

## THE USE OF ENERGY AND EMISSIONS

ESL Shipping	2022	2021	2020	2019	2018
Purchased energy <sup>2</sup> , Mwh	328.4	322.1	243.4	117.6	105.2
Total use of fuel, Mwh	820,496	898,551	838,743	892,250	597,300
tCO <sub>2</sub>	217,526	237,621	220,122	237,296	160,988
g-CO <sub>2</sub> per ton mile <sup>3</sup>	13.67	15.74	15.48	15.47	13.10
tSO <sub>x</sub>	87.34	98.36	56.44	179.27	128.90
mg-SO <sub>x</sub> per ton mile <sup>3</sup>	5.52	5.93	3.97	11.69	10.49

Telko	2022	2021	2020	2019	2018
Purchased energy <sup>1</sup> , Mwh	1,347.7	1,172.0	768.5	1,093.0	1,059.5
tCO <sub>2</sub>	219.6	340.1	215.8	306.9	337.2

Leipurin	2022	2021	2020	2019	2018
Purchased energy <sup>1</sup> , Mwh	3,681.1	3,212.8	4,148.0	3,394.8	4,240.6
tCO <sub>2</sub>	606.2	965.4	1,124.0	1,154.2	1,441.0

Other operations	2022	2021	2020	2019	2018
Purchased energy <sup>1</sup> , Mwh	192.6	180.9	182.7	150.3	177.1
tCO <sub>2</sub>	20.0	27.2	27.5	23.7	25.60

Aspo Group	2022	2021	2020	2019	2018
tCO <sub>2</sub>	218,385	238,963	221,511	238,805	161,350
Net sales, M€	652.6	573.3	500.7	587.7	540.9
Aspo Group carbon intensity	0.33	0.42	0.44	0.41	0.30

<sup>1</sup> Purchased energy mainly measured, if not possible to measure the figures are estimated.

<sup>2</sup> The figures include Raahe depot from 2020 onwards. Tug Charlie's use of shore-side electricity increases energy consumption from 2020 onwards.

<sup>3</sup> Figures corrected retrospectively for 2018.

## INJURY FREQUENCY AND SICK LEAVES

ESL Shipping – Office	2022	2021	2020	2019	2018
TRIF <sup>1</sup>	8.2	8.1	2.7		
Sick leaves, % <sup>2</sup>	0.5	0.7	0.8	1.4	0.5

ESL Shipping – Marine personnel	2022	2021	2020	2019	2018
TRIF <sup>1</sup>	22.0	22.3	21.4	22.1	21.1
Sick leaves, % <sup>2</sup>	2.0	3.7	4.6	4.0	3.9

AtoB@C Shipping – Marine personnel	2022	2021	2020	2019	2018
TRIF <sup>1</sup>	10.2	10.9			
Sick leaves, % <sup>2</sup>	0.2	0.30			

Telko	2022	2021	2020	2019	2018
TRIF <sup>1</sup>	1.7	0	0		
Sick leaves, % <sup>2</sup>	1.4	1.2	1.2	1.4	1.1

Leipurin	2022	2021	2020	2019	2018
TRIF <sup>1</sup>	0	6.3	10.3		
Sick leaves, % <sup>2</sup>	2.5	3.5	2	4.0	1.7

Other operations	2022	2021	2020	2019	2018
TRIF <sup>1</sup>	0	0	0		
Sick leaves, % <sup>2</sup>	0.6	0.3	0.3	1.6	0.7

Aspo Group	2022	2021	2020	2019	2018
TRIF <sup>1</sup>	8.1	8.8	8.5		

<sup>1</sup> Injury frequency is presented per 1,000,000 working hours.

TRIF = All injuries that require medical treatment and/or alternative work.

<sup>2</sup> Sick-leave absence ratio is calculated: (sick days/total work days)\*100. For AtoB@C Shipping's marine personnel in Sweden, the sick leave % is calculated only for days at sea.

## NUMBER OF PERSONNEL BY GEOGRAPHICAL AREA, DECEMBER 31

ESL Shipping <sup>1</sup>	2022	2021	2020	2019	2018
Finland	277	276	275	262	262
Scandinavia	78	79	79	74	69
Baltic countries					
Russia, other CIS countries and Ukraine					
Other countries			1	1	1
<b>Total</b>	<b>355</b>	355	355	337	332

Telko	2022	2021	2020	2019	2018
Finland	52	50	49	52	50
Scandinavia	48	38	37	24	27
Baltic countries	52	54	34	36	33
Russia, other CIS countries and Ukraine	114	155	140	162	161
Other countries	27	24	25	25	25
<b>Total</b>	<b>293</b>	321	285	299	296

Leipurin	2022	2021	2020	2019	2018
Finland	39	76	73	80	100
Scandinavia	70				
Baltic countries	48	47	49	50	49
Russia, other CIS countries and Ukraine	98	147	141	167	171
Other countries					10
<b>Total</b>	<b>255</b>	270	263	297	330

Other operations	2022	2021	2020	2019	2018
Finland	42	36	32	27	25
Scandinavia					
Baltic countries					
Russia, other CIS countries and Ukraine					
Other countries					
<b>Total</b>	<b>42</b>	36	32	27	25

Aspo Group	2022	2021	2020	2019	2018
Finland	410	459	450	451	470
Scandinavia	196	57	116	98	96
Baltic countries	100	101	83	86	82
Russia, other CIS countries and Ukraine	212	302	281	329	332
Other countries	27	25	27	27	37
<b>Total</b>	<b>945</b>	944	957	991	1,017

<sup>1</sup> ESL Shipping's marine personnel of the subsidiary AtoB@C Shipping reported for the vessels owned.

## NUMBER OF PERSONNEL BY CATEGORY, DECEMBER 31

ESL Shipping <sup>1</sup>	2022	2021	2020	2019	2018
Office staff	47	43	41	38	35
Supervisors	6	7	8	3	
Management	6	7	6	7	8
Non-office staff	2	2	2	2	3
<b>Total</b>	<b>61</b>	<b>59</b>	<b>57</b>	<b>50</b>	<b>46</b>

Telko	2022	2021	2020	2019	2018
Office staff	234	265	233	250	250
Supervisors	47	26	25	19	17
Management	5	24	20	24	20
Non-office staff	7	6	7	6	9
<b>Total</b>	<b>293</b>	<b>321</b>	<b>285</b>	<b>299</b>	<b>296</b>

Leipurin	2022	2021	2020	2019	2018
Office staff	164	190	182	206	211
Supervisors	39	35	37	40	38
Management	7	17	16	19	20
Non-office staff	45	28	28	32	61
<b>Total</b>	<b>255</b>	<b>270</b>	<b>263</b>	<b>297</b>	<b>330</b>

Other operations	2022	2021	2020	2019	2018
Office staff	34	28	26	22	19
Supervisors	3	2	2	2	3
Management	5	6	4	3	3
Non-office staff					
<b>Total</b>	<b>42</b>	<b>36</b>	<b>32</b>	<b>27</b>	<b>25</b>

Aspo Group <sup>1</sup>	2022	2021	2020	2019	2018
Office staff	478	541	497	538	539
Supervisors	95	72	74	65	63
Management	23	55	47	56	51
Non-office staff	54	40	41	45	78
<b>Total</b>	<b>650</b>	<b>708</b>	<b>659</b>	<b>704</b>	<b>731</b>

<sup>1</sup> Excluding marine personnel.

## NUMBER OF PERSONNEL BY CONTRACT TYPE, DECEMBER 31

ESL Shipping	2022	2021	2020	2019	2018
Amount of personnel	355	295	355	337	332
Full-time contract <sup>1</sup>	63	59	56	50	45
Part-time contract <sup>1</sup>			1		1

<sup>1</sup> Excluding marine personnel.

Telko	2022	2021	2020	2019	2018
Amount of personnel	293	321	285	299	296
Full-time contract	287	315	278	293	290
Part-time contract	6	6	7	6	6

Leipurin	2022	2021	2020	2019	2018
Amount of personnel	255	270	263	297	330
Full-time contract	246	264	260	293	316
Part-time contract	9	6	3	4	14

Other operations	2022	2021	2020	2019	2018
Amount of personnel	42	36	32	27	25
Full-time contract	41	35	30	26	22
Part-time contract	1	1	2	1	3

## GENDER DISTRIBUTION, DECEMBER 31

ESL Shipping	2022	2021	2020	2019	2018
Women	45	40	40	36	35
Men	310	255	315	301	297
<b>Total</b>	<b>355</b>	295	355	337	332

Telko	2022	2021	2020	2019	2018
Women	148	168	151	164	160
Men	145	153	134	135	136
<b>Total</b>	<b>293</b>	321	285	299	296

Leipurin	2022	2021	2020	2019	2018
Women	132	154	149	166	198
Men	123	116	114	131	132
<b>Total</b>	<b>255</b>	270	263	297	330

Other operations	2022	2021	2020	2019	2018
Women	22	18	18	16	14
Men	20	18	14	11	11
<b>Total</b>	<b>42</b>	36	32	27	25

The Boards of Aspo and segments	2022	2021	2020	2019	2018
Women	6	6	6	7	5
Men	14	8	9	9	10
<b>Total</b>	<b>20</b>	14	15	16	15

Aspo Group	2022	2021	2020	2019	2018
Women	347	383	367	394	419
Men	598	561	605	613	613
<b>Total</b>	<b>945</b>	944	972	1,007	1,032

## AGE DISTRIBUTION, DECEMBER 31

ESL Shipping	2022	2021	2020	2019	2018
< 24	10	4	5	12	9
25-39	128	114	132	119	103
40-54	140	119	141	127	107
55 <	77	58	77	79	56
<b>Total</b>	<b>355</b>	295	355	337	275

Telko	2022	2021	2020	2019	2018
< 24	1	3	3	8	6
25-39	106	144	131	140	137
40-54	137	131	116	117	119
55 <	49	43	35	34	34
<b>Total</b>	<b>293</b>	321	285	299	296

Leipurin	2022	2021	2020	2019	2018
< 24	7	8	1	3	17
25-39	75	97	105	129	154
40-54	130	122	121	132	126
55 <	43	43	36	33	33
<b>Total</b>	<b>255</b>	270	263	297	330

Other operations	2022	2021	2020	2019	2018
< 24			1	1	
25-39	19	16	13	6	6
40-54	14	11	9	10	10
55 <	9	9	9	10	9
<b>Total</b>	<b>42</b>	36	32	27	25

Aspo Group	2022	2021	2020	2019	2018
< 24	18	15	10	24	33
25-39	328	375	385	400	406
40-54	421	394	397	402	381
55 <	178	160	165	165	140
<b>Total</b>	<b>945</b>	944	957	991	960

## AVERAGE AGE OF EMPLOYEES

ESL Shipping	2022	2021	2020	2019	2018
Average age of employees	44	44	45	45	44
Telko	2022	2021	2020	2019	2018
Average age of employees	41	41	42	41	40
Leipurin	2022	2021	2020	2019	2018
Average age of employees	44	42	43	41	39
Other operations	2022	2021	2020	2019	2018
Average age of employees	44	49	43	47	47
Aspo Group	2022	2021	2020	2019	2018
Average age of employees	44	42	44	44	44

## PEOPLE POWER (SCALE 0-100)

	2022	rating	2021	rating
ESL Shipping	78.9	AA	79.8	AA+
Telko	81.8	AA+	82.2	AAA
Leipurin	70.5	A	80	AA+
Other operations	75.2	AA+	76.4	AA+

In 2021, Aspo introduced People Power personnel survey, which aims to identify the organisation's strengths and areas for development in terms of its own work, the community work community and the entire organization.

## EMPLOYEE TURNOVER RATE

ESL Shipping	2022	2021	2020	2019	2018
turnover rate, ground staff	10	8	9	16	16
Telko	2022	2021	2020	2019	2018
turnover rate	21	17	8	20	14
Leipurin	2022	2021	2020	2019	2018
turnover rate	17	17	10	26	26
Other operations	2022	2021	2020	2019	2018
turnover rate	8	13	19	39	18
Aspo Group	2022	2021	2020	2019	2018
turnover rate	17	15	9	23	21

Average turnover, %

## CODE OF CONDUCT AND COMPLIANCE - TRAINING 2022

	Compliance, %	Code of Conduct, %
ESL Shipping	100	100
Telko	100	100
Leipurin	99	100
Other operations	100	100
Aspo Group	100	100

Family leave and other long absences have been excluded. Excluding marine personnel.